

## Message Text

CONFIDENTIAL

PAGE 01 BONN 08708 301755Z

64

ACTION AID-59

INFO OCT-01 EUR-12 EA-06 NEA-10 ISO-00 IO-10 L-03 TRSE-00

SP-02 CIAE-00 INR-07 NSAE-00 IGA-01 EB-07 AGR-05 SS-15

NSC-05 /143 W

----- 124170

R 301743Z MAY 75

FM AMEMBASSY BONN

TO SECSTATE WASHDC 0451

AMEMBASSY ABU DHABI

AMEMBASSY CANBERRA

AMEMBASSY BRUSSELS

AMEMBASSY OTTAWA

AMEMBASSY COPENHAGEN

AMEMBASSY HELSINKI

USMISSION OECD PARIS

AMEMBASSY TEHRAN

AMEMBASSY TOKYO

AMEMBASSY KUWAIT

AMEMBASSY THE HAGUE

AMEMBASSY WELLINGTON

AMEMBASSY OSLO

AMEMBASSY STOCKHOLM

AMEMBASSY LONDON

INFO AMEMBASSY DACCA

C O N F I D E N T I A L BONN 08708

E.O. 11652: GDS

TAGS: EAID, BG, GW

SUBJECT: FRG AID TO BANGLADESH

REF: A. STATE 123070; B. DACCA 2571

1. EMBOFF DISCUSSED REF A AND BANGLADESH ECONOMIC  
SITUATION WITH FUHRMANN, BANGLADESH DESK OFFICER IN  
MINISTRY FOR ECONOMIC COOPERATION AND DELEGATE TO  
DONOR MEETINGS NEXT WEEK IN PARIS, AND URGED FRG  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 BONN 08708 301755Z

TO TAKE ANY MEASURES WHICH WOULD INDICATE SUPPORT FOR

RECENT BDG EFFORTS. WHILE SYMPATHETIC WITH THE SITUATION IN BANGLADESH AND WITH THE RATIONALE FOR OUR SUPPORT, FUHRMANN TOOK AN EXTREMELY PESSIMISTIC VIEW OF BANGLADESH'S ECONOMIC PROSPECTS AND STATED THAT THE FEDERAL REPUBLIC IS NOT PREPARED TO EXPAND ITS PRESENT LEVEL OF ASSISTANCE. IN FACT, HE GAVE THE IMPRESSION THAT THE GERMANS BELIEVE THAT THEIR PAST ASSISTANCE HAS LARGELY GONE DOWN THE DRAIN AND, GIVEN THE TIGHT FRG BUDGET, THAT DEVELOPMENT ASSISTANCE FUNDS COULD BE SPENT MORE PRODUCTIVELY IN OTHER LDCS.

2. FUHRMANN WAS SKEPTICAL ABOUT THE SIGNIFICANCE OF THE RECENT BDG DEVALUATION AND STABILIZATION PROGRAM REPORTED REF A. COMMENTING THAT THE PRESIDENT OF BANGLADESH HAD NO UNDERSTANDING OF ECONOMICS WHATSOEVER AND HAD PROMISED VIGOROUS ACTION BEFORE WHILE DOING NOTHING, FUHRMANN SAW NO REASON TO EXPECT ANYTHING DIFFERENT NOW. HE ADDED THAT THE RECENT DEVALUATION OF THE TAKA, WHILE HELPING IN THE LONG RUN, WOULD MAKE THE IMMEDIATE SITUATION WORSE BY INCREASING INFLATION (PARTICULARLY IN FOODSTUFFS WHERE THE GREATEST INCIDENCE WILL BE ON THE POOR) AND WORSENING THE BOP.

3. FUHRMANN CONCLUDED THAT THE SITUATION WAS RATHER HOPELESS. HE THOUGHT THAT BANGLADESH COULD MAINTAIN ITS ECONOMIC VIABILITY ONLY THROUGH (1) SIGNIFICANT QUANTITIES OF AID FROM THE OPEC NATIONS, (2) OIL DISCOVERIES IN THE BAY OF BENGAL, (3) QUICK TAPPING AND EXPORT OF NATURAL GAS FINDS. IF THE BDG WAS TO TAKE SIGNIFICANT AND MEANINGFUL MEASURES TO HELP ITSELF, THE FEDERAL REPUBLIC MIGHT, AT A LATER DATE, RECONSIDER ITS POSITION ON INCREASING THE LEVEL OF AID.

4. THE PROBLEMS OF THE BERLIN CLAUSE (REF B) WAS NOT RAISED BY EMBOFF OR FUHRMANN.  
HILLENBRAND

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ECONOMIC ASSISTANCE, ECONOMIC CONDITIONS, INFLATION, DEVALUATIONS, ECONOMIC ESTIMATES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 30 MAY 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975BONN08708  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D750190-0446  
**From:** BONN  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t1975052/aaaaabpt.tel  
**Line Count:** 98  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION AID  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 STATE 123070, 75 DACCA 2571  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** GolinoFR  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 21 APR 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <21 APR 2003 by BoyleJA>; APPROVED <22 APR 2003 by GolinoFR>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** FRG AID TO BANGLADESH  
**TAGS:** EAID, BG, GE  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006